

~~SECRET~~

C E N T R A L I N T E L L I G E N C E A G E N C Y

20 April 1955

MEMORANDUM FOR: Mr. Allan Evans (OIR)
Colonel Paul S. Reinecke, USA (G-2)
Captain B. E. Wiggin, USN (ONI)
Colonel Willis B. Sawyer, USAF (AFOIN-2B2)
Colonel Floyd E. Dunn, USA (JIG)

SUBJECT : NIE 63.1-2-55: Possible Developments in
South Vietnam

1. Confirming our discussion with the IAC Senior Representatives at the luncheon meeting held on 20 April, we herewith forward the terms of reference for an estimate on South Vietnam being prepared at the request of the Secretary of State.

2. These terms of reference are for information only--to enable you to have some appreciation of the scope of the estimate now in preparation without formal departmental contributions.

3. The present schedule calls for having a draft before the IAC for consideration next Tuesday, 26 April.

4. The meeting of the representatives on a draft will be scheduled when a Board draft has been prepared.

Paul A. Borel

PAUL A. BOREL
Deputy Assistant Director
National Estimates

Distribution "B"

~~SECRET~~

SECRET

CENTRAL INTELLIGENCE AGENCY

20 April 1955

SUBJECT: TERMS OF REFERENCE: NIE 63.1-2-55: POSSIBLE DEVELOPMENTS
IN SOUTH VIETNAM

THE PROBLEM

To assess the consequences of certain possible developments in South Vietnam and their probable effects upon the strength and stability of that country.

QUESTIONS BEARING ON THE PROBLEM

I. PRESENT SITUATION

- A. What are Diem's principal strengths and weaknesses at the present time? What are his principal sources of support and the principal centers of opposition?

SECRET

SECRET

- B. What are Vietnamese National Army strengths and capabilities in the Saigon area; what is the state of morale; what is the direction of loyalties?
- C. What is the present political, economic, and military situation of the Binh Xuyen?
 - 1. What is the state of morale among the Binh Xuyen? What are its principal motivations and sources of support? What are present popular attitudes toward the Binh Xuyen in Saigon?
 - 2. Would the Binh Xuyen be responsive under present circumstances to Bao Dai's direction?
- D. What are the positions and interests of other parties in the current crisis?
 - 1. The French.
 - 2. The Hoa Hao, the Cao Dai.
 - 3. Vietnamese intellectuals and leaders.
 - 4. Vietnamese people in Saigon, in the provinces.
 - 5. The Viet Minh.

- 2 -

SECRET

SECRET

II. PROBABLE RESULTS OF POSSIBLE ALTERNATIVE DEVELOPMENTS

A. An attempt is made to remove Diem from office through the intercession of Bao Dai.

1. In this contingency what would be Diem's reaction?
Would he attempt to stay in office? Would he attempt to organize an independent movement in opposition to the new government and how effective would he be?
2. What would be the likely composition of a new Cabinet?
3. What would be the likely outcome of Diem's removal in terms of:
 - (i) Nationalist and popular support for the new Premier.
 - (ii) Internal order.
 - (iii) Attitude and allegiance of sects to central government.
 - (iv) Willingness of able Vietnamese to serve under new leader.
 - (v) Prospects for getting on with program of building strength in South Vietnam.

SECRET

5. How would the reactions and results discussed above be affected by the circumstances of Diem's removal? In particular, what difference would it make if the Binh Xuyen were relieved of control of the police before, or after the removal of Diem? If the US appeared to join in, or remained aloof from the removal of Diem?
6. What would be the likely Communist reaction in this situation?

B. The US refuses to accept or accede to a Bao Dai solution, and Diem attempts to continue in office.

1. In this contingency what are the prospects that Diem would attempt to broaden his government? What individuals or groups might he approach?
2. What are the prospects that a broadened interim government could be formed if Diem made a pledge to leave the composition of a future government

- 4 -

SECRET

SECRET

to a representative assembly and if the US encouraged Vietnamese leaders to cooperate while the French remained aloof? If the French also encouraged such a government?

3. What problems and difficulties would Diem face in attempting^{to}/schedule an election or forming a representative assembly? How soon could an assembly be elected? What would be its probable political orientation? Would it be amenable to direction by Diem?
4. In this contingency what would be Diem's probable action with respect to the Binh Xuyen?
5. In this contingency what would be the likely reaction of: (a) Binh Xuyen; (b) the French; (c) Saigon population; (d) other Sects; (e) the VNA; (f) Bao Dai?
6. What would be the likely Communist reaction in this situation?

- 5 -

SECRET